

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

INDIANAPOLIS

OFFICE MEMORANDUM

TO: Greg Glover
Office of Water Management

FROM: James Hunt *JH 5/8/89*
Office of Solid and Hazardous Waste Management

SUBJECT: Request for Tax Exemption
Pollution Control Industries of America
East Chicago, Lake County

DATE: May 8, 1989

THRU: Tom Linson *TL 5/12/89*
George Oliver *GO 5/15*
Bruce Palin *BP 5/16/89*
Charles Bardonner *CB*

EPA Region 5 Records Ctr.



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This is to follow up on our phone conversation of May 4, 1989, concerning a request made by Pollution Control Industries of America (PCIA) for certification to claim a property tax exemption.

After discussions with representatives of PCIA, it became evident that the company was requesting verification that they were eligible for a tax exemption as an "industrial waste control facility" rather than as a "resource recovery facility." Therefore, the request is being referred to you for follow up. Attached is a copy of the company's application and file documents which will help you understand the nature of their operation and their request. I encouraged Mr. Michael Reis of PCIA to contact you directly to expedite review of the application.

As we discussed, the PCIA operation is not typical of the type of facility that would apply for an industrial waste control facility exemption, and I have questions as to whether they are eligible. Of course, you will need to review the application in light of interpretations which have been developed by the Office of Water Management. I suggest that the following be considered in determining the company's eligibility:

1. PCIA is a hazardous waste facility that receives organic solvents from industrial operations and blends them into a fuel that is marketed to cement kilns for fuel. They are not a "manufacturing or Industrial plant" in the normal sense of the term.
2. The operation does not handle a "wastewater", but rather, petroleum materials. You indicated that the statute is normally applied to an aqueous solution (wastewater).
3. The statute states that "an industrial waste control facility is exempt from property taxation if it is not used in the production of property." It is unclear whether PCIA sells the "fuel" or pays to have it burned. The material is burned for fuel by a number of facilities. I would suggest that you require verification from PCIA that the material is in fact not sold. We can provide you with information on where they send the material if you need it.

Greg Glover
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Please call me at 2-4535 if you have any further questions.

JMH

Attachments

cc: Mr. Bill Myers ✓
Mr. Ted Warner